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OFFICIAL REPORT  
(HANSARD)

Thursday, November 24, 2011

The Honourable NOËL A. KINSELLA  
Speaker

## CONTENTS

(Daily index of proceedings appears at back of this issue).

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*Debates Services:* D'Arcy McPherson, National Press Building, Room 906, Tel. 613-995-5756  
*Publications Centre:* David Reeves, National Press Building, Room 926, Tel. 613-947-0609

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## THE SENATE

Thursday, November 24, 2011

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

[Translation]

### SENATORS' STATEMENTS

#### THE LEARNING PARTNERSHIP

**Hon. Percy Mockler:** Honourable senators, on Wednesday, November 9, 2011, in Dieppe, New Brunswick, a gala luncheon was held to recognize a champion of public education.

Honourable senators, this honorary distinction was awarded to former New Brunswick Premier Bernard Lord, in recognition of his contribution and dedication to educating our youth. He was the 51st person to be inducted into The Learning Partnership's Champions of Public Education Hall of Fame.

Honourable senators, The Learning Partnership is a national charitable organization that, through partnerships, is dedicated to promoting a strong public education system in Canada through the use of innovative programs.

[English]

The Learning Partnership programs in New Brunswick and across Canada are the following: Welcome to Kindergarten; Canada's Outstanding Principals; Take Our Kids to Work; Entrepreneurial Adventure, Atlantic Provinces Executive Program for Educational Leadership and Management; and Turning Points.

[Translation]

In New Brunswick, as in the rest of Canada, education is the best social program we can offer to help people get out of poverty, as Bernard Lord did in the past and as Prime Minister Stephen Harper's government is doing today. Education will always remain a priority for our government.

[English]

#### MS. CLOTILDA ADESSA YAKIMCHUK, C.M.

**Hon. Jane Cordy:** Honourable senators, I am very pleased today to continue my series about strong Cape Breton women.

One has to admire any person who plans and makes a genuine effort to better their life and the lives of those dear to them. Truly special are those who can examine their situation and, upon realizing they have not the means to change their plan, lobby instead to change their circumstances and set in motion changes that benefit the broader population as well as future generations. One such woman is Clotilda Yakimchuk.

Ms. Yakimchuk was born and raised in Whitney Pier, Nova Scotia. She is the daughter of immigrants from the Caribbean who came to Cape Breton to work in the steel mill.

In 1954 Clotilda became the first Black graduate of the Nova Scotia Hospital School of Nursing, despite having faced many challenges and discrimination along the way. She says of her profession that she grew up without a role model to spark her interest in nursing, but that it was just something she knew she wanted to do.

After graduation, she moved to Grenada with her first husband where she ran the mental health hospital. In 1967 she returned to Canada, taking a position as staff nurse at the Sydney City Hospital. She later became nursing supervisor and then director of staff development at the Cape Breton Hospital. It was here that she served as director of educational services until her retirement from nursing in 1994.

Throughout her career, Ms. Yakimchuk has demonstrated an incredible amount of commitment and passion for her work. She has served as president of the Registered Nurses Association of Nova Scotia, which now goes by the name of the College of Registered Nurses of Nova Scotia. To date, she is the organization's only elected Black president in 100 years of its history.

While maintaining her professional career and raising her five children as a single parent, Clotilda established herself as, and continues to be, a well-respected activist in her community. She was a founding president of the Black Community Development Organization, leading the movement to provide affordable housing in low-income communities. She is also a strong proponent of Cape Breton University, having played a significant role in the campaign to have the university offer its own nursing degree. In May of 2010, the university awarded Ms. Yakimchuk, at the age of 78, an honorary doctorate of laws, alongside students graduating from the very nursing program for which she had lobbied.

In 1991, she received the national Harry Jerome Award to acknowledge her significant cultural and community achievements. She has also received the College of Registered Nurses of Nova Scotia's Centennial Award of Distinction, as well as an honorary diploma from Nova Scotia Community College. Clotilda received the Order of Canada in 2003 and has been inducted into the Nova Scotia Black Hall of Fame.

Honourable senators, it is clear that Clotilda Yakimchuk is a remarkable trailblazer. We need more people like her who not only see problems and say, "That's not good enough," but who also create solutions.

Honourable senators, I look forward to telling you more about the lives of Cape Breton women who have made huge contributions to their communities.

**MR. HAYDEN TRENHOLM****CANADIAN SCIENCE FICTION AND FANTASY  
ASSOCIATION AURORA AWARD WINNER**

**Hon. Nick G. Sibberson:** Honourable senators, this past weekend, at a convention in Toronto, the Aurora Awards were handed out, recognizing achievements in the field of Canadian speculative fiction. This is science fiction.

Mr. Hayden Trenholm, who works for me as my policy adviser, was nominated both for best novel and best short story of the year. His novel *Stealing Home* finished a respectable third behind Robert J. Sawyer, who won for his novel *Watch*, and Guy Gavriel Kay, who was nominated for *Under Heaven*. Both Mr. Sawyer and Mr. Kay are leading figures in the field, whose works have been translated and published around the world.

Mr. Trenholm did not go away empty handed, however. He won the trophy for best short story for *The Burden of Fire*, which was published in *Neo-opsis* magazine. This is Mr. Trenholm's second Aurora win, and I ask senators to join me in congratulating him. He is present in the gallery today.

**Hon. Senators:** Hear, hear!

• (1340)

**VISITORS IN THE GALLERY**

**The Hon. the Speaker:** Honourable senators, I wish to draw the attention of honourable senators to the presence in the gallery of participants of the Annual 4 MY Canada Parliamentary Delegation. They are guests of the Honourable Senator Meredith.

On behalf of all senators, I welcome you to the Senate of Canada.

**Hon. Senators:** Hear, hear!

**MY CANADA ASSOCIATION**

**Hon. Don Meredith:** Honourable senators, yesterday I had the privilege of meeting with a delegation of youth from the 4 MY Canada association, with representation from across the country, including Ontario, Saskatchewan, British Columbia and Alberta.

As I shared with them yesterday, along with my swearing-in to this place, meeting with these youth was the most memorable occasion of my tenure as a senator thus far.

As part of their annual parliamentary delegation, this week this group of highly engaged youth conducted 90 meetings with senators and members of Parliament of all parties, to thank parliamentarians for their hard work and to share their views on the issues close to their hearts.

Unlike other groups, who have corporate sponsorship, these young adults paid their own way to be here. Most of them took time away from school to participate in this delegation. Last night

they held an annual reception to honour senators and members of Parliament for their service, which was attended by various parliamentarians.

The 4 MY Canada association is a non-partisan organization whose vision is to motivate young people for a strong Canada. They have an impressive membership of 5,000 youth from across Canada, and an even more impressive online and email network of 50,000 youth.

As they return to Parliament for their annual meetings and reception in 2012, I encourage every senator in this place to make time to meet with these youth. As I emphasized to them yesterday, they are not only our future but also our present. Their views and opinions matter and I believe that their enthusiasm must be harnessed for the engagement, encouragement and empowerment of other youth across this country.

This week these young people came to Ottawa to honour us parliamentarians and to honour senators. Honourable senators, please join me in honouring these engaged and motivated young Canadians who have taken the time to participate in the future of democracy of this country.

**ROUTINE PROCEEDINGS****SPEAKER OF THE SENATE****PARLIAMENTARY DELEGATION  
TO CZECH REPUBLIC, OCTOBER 10-14, 2010—  
REPORT TABLED**

**Hon. Noël A. Kinsella:** Honourable senators, I seek leave of the Senate to table, in both official languages, a report entitled: "Visit of the Honourable Noël A. Kinsella, Speaker of the Senate, and a Parliamentary Delegation, Czech Republic, October 10 to 14, 2010."

Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

**PARLIAMENTARY DELEGATION TO SLOVAKIA,  
HOLY SEE, SOVEREIGN MILITARY ORDER OF MALTA  
AND ITALY, OCTOBER 14-20, 2010—REPORT TABLED**

**Hon. Noël A. Kinsella:** Honourable senators, I ask leave of the Senate to table, in both official languages, a report entitled: "Visit of the Honourable Noël A. Kinsella, Speaker of the Senate, and a Parliamentary Delegation, Slovakia, Holy See, Sovereign Military Order of Malta and Italy, October 14 to 20, 2010."

Is leave granted, honourable senators?

**Hon. Senators:** Agreed.

[Translation]

### FOREIGN AFFAIRS

#### CANADA'S ENGAGEMENT IN AFGHANISTAN— APRIL 1, 2011 TO JUNE 30, 2011— REPORT TABLED

**Hon. Claude Carignan (Deputy Leader of the Government):** Honourable senators, I have the honour to table, in both official languages, *Canada's Engagement in Afghanistan*, the quarterly report to Parliament for the period from April 1 to June 30, 2011.

### RAILWAY SAFETY ACT CANADA TRANSPORTATION ACT

#### BILL TO AMEND—THIRD REPORT OF TRANSPORT AND COMMUNICATIONS COMMITTEE PRESENTED

**Hon. Dennis Dawson**, Chair of the Standing Senate Committee on Transport and Communications, presented the following report:

Thursday, November 24, 2011

The Standing Senate Committee on Transport and Communications has the honour to present its

### THIRD REPORT

Your committee, to which was referred Bill S-4, An Act to amend the Railway Safety Act and to make consequential amendments to the Canada Transportation Act, has, in obedience to the order of reference of Wednesday, November 2, 2011, examined the said bill and now reports the same with the following amendment:

*Page 36, clause 37: Replace lines 24 and 25 with the following:*

“reporting and confidential reporting to Transport”.

Respectfully submitted,

DENNIS DAWSON  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this report be taken into consideration?

(On motion of Senator Dawson, report placed on the Orders of the Day for consideration at the next sitting of the Senate.)

[English]

### INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

#### FOURTH REPORT OF COMMITTEE TABLED

**Hon. David Tkachuk:** Honourable senators, I have the honour to table, in both official languages, the fourth report of the Standing Committee on Internal Economy, Budgets and Administration, which deals with the financial statements of the Senate for the year ended March 31, 2011.

### WORLD AUTISM AWARENESS DAY BILL

#### FOURTH REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE PRESENTED

**Hon. Kelvin Kenneth Ogilvie**, Chair of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Thursday, November 24, 2011

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

### FOURTH REPORT

Your committee, to which was referred Bill S-206, An Act respecting World Autism Awareness Day, has, in obedience to the order of reference of Wednesday, October 26, 2011, examined the said bill and now reports the same without amendment.

Respectfully submitted,

KELVIN K. OGILVIE  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

(On motion of Senator Munson, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.)

### QUESTION PERIOD

### INFRASTRUCTURE

#### AUDITOR GENERAL'S REPORT— ECONOMIC ACTION PLAN—JOB CREATION

**Hon. James S. Cowan (Leader of the Opposition):** Honourable senators, my question is for the Leader of the Government in the Senate. In 2006, the minister will recall that her government was elected on a platform of accountability and transparency and made a great deal of holding others to a high standard of accountability. One would have expected that her government would have held itself to that same level of accountability and transparency that it was demanding of others.

On Tuesday, interim Auditor General John Wiersema tabled his quarterly report in Parliament in which he audited the performance of the \$47-billion Economic Action Plan. He looked closely at \$7-billion worth of investments that went into approximately 6,000 infrastructure projects across Canada. He came to the conclusion that the program had done a poor job of reporting on job creation and the success of its results.

In fact, he noted that the program was designed in a way that "did not allow for performance measurement and reporting against this key objective." The key objective, of course, was job creation.

Can the leader tell us why her government designed a program in such a way that it would be difficult for Canadians to find out with certainty how many jobs were created in the expenditure of \$47 billion of their money?

**Hon. Marjory LeBreton (Leader of the Government):** I thank the honourable senator for the question. However, he failed to point out that the Auditor General praised the government for Canada's Economic Action Plan. The Auditor General's most recent report demonstrates how the government applied good management practices around the delivery of three Economic Action Plan programs. Let us put on the record exactly what the Auditor General said, namely:

The government did a good job of monitoring progress in spending in three programs funded under the Economic Action Plan.

I am very pleased to see the Auditor General's good reports on the delivery of the Economic Action Plan. As honourable senators know, we were urged to get funds out the door. We were facing a worldwide economic downturn, and it is clear that these programs, working with the provinces and the municipalities, did in fact work. As a result, under this government, nearly 600,000 new jobs have been created since July 2009.

• (1350)

**Senator Cowan:** My question did not have to do with the expenditure of the money. My question had to do with the comment of the Interim Auditor General about the performance measurement against the key objective, which was job creation. The leader provided a quote, and I will repeat the quote I gave to her. These are not my words; these are the words of the Interim Auditor General:

... the program was designed in a way that did not allow for performance measurement and reporting against this key objective.

I repeat my question: Why would the government design a program that did not enable the Auditor General to measure the results of the program against its own key objective, which was job creation?

**Senator LeBreton:** In the report, the Auditor General also acknowledged that the government did commit to release a final report on Canada's Economic Action Plan once all relevant information is available in the year 2012. The honourable senator would know that the provinces and territories have until early 2012 to submit their final reports to federal departments related to four major infrastructure programs.

As the honourable senator will recall, under urging from the provinces and territories, municipal governments, and I believe even the opposition, this program was extended until October 31, 2011. I think the Auditor General stated the

obvious when he mentioned in his report that the government will release a final report on the plan once all the figures are in from the provinces and once all relevant information is available.

## HEALTH

### AUDITOR GENERAL'S REPORT—PHARMACEUTICAL DRUG TRIALS

**Hon. Jane Cordy:** Honourable senators, one of the fundamental services of any government is the health and safety of its citizens. Canadians rightfully rely on this government to provide them with stringent and timely vetting processes to assure that the pharmaceutical drugs available are the safest and most up to date.

Health Canada is charged with providing this service. However, we discovered this week in the Auditor General's report that Health Canada is failing to provide timely and accessible drug information, putting Canadians' health at risk. New drug assessments are not transparent and are taking up to two years to process and to communicate to the public. Clinical drug trial information is not easily accessible to the Canadian public. The Auditor General's report details a shocking number of deficiencies within Health Canada.

What, if any, new resources will be provided to Health Canada to correct these issues, and what specifically will be done to ensure Canadians will have access to timely information on clinical drug trials authorized by the department?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, the Auditor General's report in this area is one that the government takes very seriously. We agree with the Auditor General's findings. This has been a problem — and the Auditor General, I think, did point that out — that has been happening in Health Canada for quite a number of years.

The Minister of Health has already started the work to address the recommendations. The department is making improvements on how Health Canada responds to reports concerning products that are on the market. The health and safety of Canadians is obviously a priority for this government, as it would be for any government, and we are putting better processes in place to ensure that the products on the market are safe, effective and reliable for all Canadians.

With regard to clinical trials, honourable senators, we again agree with the Auditor General's recommendations, and the department is strengthening its approach in this area. New procedures are being put in place to improve transparency and to better monitor clinical trials and adverse reaction reports to strengthen the pharmaceutical drug program. A new IT system has been put in place to help better identify potential safety concerns. Of course, in this very place, the Minister of Health has agreed to a recommendation by the Standing Senate Committee on Social Affairs, Science and Technology. Reference was put down to, in the future, study this serious issue in the changing world of drug pharmaceutical availability.

**Senator Cordy:** In 2007, Health Canada acknowledged this government's shortcomings in providing Canadians with transparent, accurate and timely clinical drug trial information

and commitments were made to correct these shortcomings, as outlined in the 2000 *Blueprint for Renewal II: Modernizing Canada's Regulatory System for Health Products and Food*.

It is now four years later, and there is still no publicly accessible source of information for Canadians. What assurances do Canadians have that this government will follow through on this promise and the promises they are making now, when clearly they did not honour their previous commitments to fix the lack of access to clinical trial information back in 2007?

**Senator LeBreton:** Honourable senators, the interesting thing about the Auditor General's report is that the Auditor General has focused on some systemic problems that the government has faced over quite some time, in the Department of Health in particular.

I have already indicated to honourable senators that the department has a new IT system in place to help better identify potential safety concerns. We totally accept all of the findings and recommendations of the Auditor General, and the department is working hard to make improvements in how Health Canada responds to safety issues.

With regard to drugs on the market, for example, our government has invested in a Drug Safety and Effectiveness Network. Also, MedEffect Canada is a resource for Health Canada product safety information and adverse reaction reporting.

It is quite clear that there is a great deal yet to be done, but I can assure honourable senators that the Minister of Health, the Honourable Leona Aglukkaq, and her officials in the Department of Health are seized with the recommendations of the Auditor General, agree with them, and are taking steps to rectify the situation and respond to the recommendations that the Auditor General has made.

**Hon. Catherine S. Callbeck:** Honourable senators, my question is to the Leader of the Government in the Senate, and it also is about the Interim Auditor General's report.

The report said that the review process for pre-market drug submissions, determining whether claims made by industry regarding a drug's safety, effectiveness and quality were supported by evidence, takes much longer than the department's service standards.

To give an example of that, the average for generic drug reviews is 353 days, almost twice the standard of 180 days. For over-the-counter drugs, the numbers are even worse. A review takes, on average, 539 days, more than two and a half times longer than the department's standard of 210. Canadians are denied more affordable and effective treatments because these drugs are delayed in going to market.

How does Health Canada plan to improve these performance levels so that it meets its own standards and gets drugs on the market more quickly?

**Senator LeBreton:** Honourable senators, I think I answered this in response to Senator Cordy's question. There is no debate here about the findings of the Auditor General. The Auditor General

pointed out some obvious difficulties in the Department of Health. The government agrees with the findings of the Auditor General, and the government has already started, as I pointed out to Senator Cordy, to take measures to correct the situation. It has committed to doing just that.

• (1400)

Honourable senators, Health Canada and the minister do take the health and safety of Canadians very seriously. It is a priority for the government. We are putting processes in place, as I said before, to better ensure that the products on the market are safe, efficient and reliable for all Canadians. If the senator is asking for specific details on how these programs are being implemented and constructed, I would have to seek further information from the Department of Health.

**Senator Callbeck:** Honourable senators, I thank the senator for the answer. I would certainly appreciate if she could get more information, because there is a tremendous gap here between the standard and what is actually happening.

I would appreciate it if the minister would take the question as notice and report back on specific initiatives that the government is going to take to overcome these gaps.

[Translation]

## NATIONAL DEFENCE

### AUDITOR GENERAL'S REPORT—MAINTENANCE AND REPAIR OF MILITARY EQUIPMENT

**Hon. Roméo Antonius Dallaire:** Honourable senators, my question is for the Leader of the Government in the Senate and has to do with chapter 5 of the Auditor General's very substantial report, which deals with the Department of National Defence.

I would remind honourable senators that, within the department, there are three entities: operating and maintenance (O&M), capital material acquisitions (new equipment) and personnel management.

It is interesting that the Auditor General discovered that, in operating and maintenance and in capital material acquisitions, there is a serious deficiency in resource management to support the forces.

[English]

There is a significant deficiency on life-cycle costs and estimates of life-cycle costs of new capital equipment within National Defence.

When one does not have enough life-cycle costs with new acquisitions, one has to go into the O&M pot to keep those systems going, which then puts the rest of the fleets at risk.

If you see that sort of scenario playing out, you end up, in not that many years, with a shop-window force. That is to say, your parking lots are full, but none of that stuff can move because it does not have the spare parts and cannot be upgraded.

I will say to my colleagues that it was not that good before, and I will be humble about that, however this government has now been in power for five years and was supposed to sort it out. We have heard how significant they are in helping the forces.

Has the government not created a bit of a paper tiger in building up a capacity, but not ensuring that it has the resources to sustain itself? That is certainly what the Auditor General is stating here.

**Hon. Marjory LeBreton (Leader of the Government):**  
Honourable senators, I will not touch that.

Again, with chapter 5 of the Auditor General's report, the government accepts the Auditor General's recommendations regarding the maintenance and repair of military equipment. The Department of National Defence is already addressing each of these concerns. A comprehensive plan is already in place, with activities underway. The maintenance and repair of military equipment continues to be a top priority for the DND and the Canadian Forces.

As was stated again in this very chamber this morning, we are committed to ensuring that our brave men and women in the Canadian Forces have the best equipment and are supported to the fullest extent by the government. There are five fleets at the moment, honourable senators, as Senator Dallaire would know, that are in the process of transitioning to this cost-saving system that is in place, including the CC-130 Hercules, the CF-188 Hornet and the CH-146 Griffon.

The government has committed itself to finding cost efficiencies, reducing maintenance inspection times and ensuring fleet availability at all times. This work is continuing, ongoing, and I do not believe anyone would doubt for a moment the commitment of this government to our armed forces and the equipment we provide for them.

**Senator Dallaire:** Honourable senators, to be honest, maybe they will start doubting it, because the data is not backing it up. It is rather interesting because, as the leader was speaking, I was reading exactly the same words that Minister Fantino was saying in response to questions from the NDP in the other house. Obviously the line of response is there and is sort of maintained, however, it is not necessarily telling the story.

It is true there are 5 fleets of the air force out of 27 that are now into the new system, after five years. There are over 300 land fleets that have not even been touched and then there is the whole ship repair capability out there.

In order to move that way, and without giving resources, historically there was an idea that we could probably save, and be more efficient and effective if we contracted out this stuff. We have discovered in contracting out that it has reduced the ability of field sustainment of the forces because skills that were in the forces are now in industry and they cannot be brought back. That means that industry is not deployed all the time in the field and, as such, has weakened the sustainment of forces in the field.

Again, the Auditor General says that this is something that must be reviewed. Certainly, after five years of war in Afghanistan, and

with some contractors making a nice bundle, there is a requirement for that to be significantly reviewed.

Can the minister tell us that this dimension will be a target of review in the sustainment of field and operational capacity of the forces in their field sustainment operationally?

**Senator LeBreton:** Honourable senators, the government has already made significant progress in improving the contracting approaches to support maintenance and repair activities for our new military fleets. We recognize the importance of efficiency and accountability. The in-service support contracting framework uses a single point of accountability to ensure equipment reliability. The system is currently in place with the CC-130J Hercules aircraft. Our government, as has been stated many times, is in the process right now, as we know, of finding cost efficiencies, reducing maintenance inspection times and ensuring timely fleet availability.

Again, honourable senators, the Auditor General's report was, as an Auditor General's report should be, a report on the operation of the various departments of government. In all cases, the Auditor General has pointed out to the government some areas for improvement.

It is rather refreshing, if I may say so, that we have Auditor General's reports now that actually point out these systemic problems in various departments of government. We have not repeated, under this government, the types of reports the Auditor General used to have to give.

**Senator Dallaire:** I will not debate that, honourable senators, because we would have to study history and that is a little further than even CNN history in trying to do that.

I would, however, like to raise one point. Nothing has been touched on about the infrastructure side, which is in décrépitude right now, and we will expect that coming hopefully next year.

In the acquisition, it is the capital acquisition side, because the government has done significant capital acquisition. One cannot introduce these fleets without introducing the significant life-cycle costs of the fleets, particularly if those fleets will be used operationally — meaning war — because the lifespan is shorter, the expenses of repairs are much higher and, ergo, that calls for a large amount of money.

When we acquire new equipment we have the different ministers out there, ACOA, WDO, et cetera, who are all pulling to get regional benefits. In the process, which is still in motion, if a project is moved to a certain area of the country, there is a cost associated with that move, if we wanted it to be in the West or in the East. I have seen projects worth over \$2 billion where the cost of a move from Ottawa to Calgary could be as high as \$300 million because a technology is being given to Calgary.

• (1410)

Why does DND have to pay that \$300 million when it is the minister who has convinced people to move the project out there? If you take that \$300 million out of DND, that is \$300 million less in equipment that the project originally wanted and absolutely needed.

Can the minister tell me that the processes are now under review, that when there are regional benefits that have a cost overrun to the initial cost and demands of the operational requirement of a project, those costs will be funded from outside DND, particularly the project's funding base?

**Senator LeBreton:** The honourable senator is actually going back in history a little. That is obviously the way things happened previously.

I think the best example I can give, honourable senators, is the total hands-off approach that the government took to the awarding of the shipbuilding contracts. The government has been widely applauded for having this decision made without any political interference whatsoever. In fact, the contracts were awarded based on an arm's-length panel, and the government found out who won the contracts at the same time everyone else did. That is the new way of doing things.

**Senator Dallaire:** Well done. Honourable senators, the leader opened up the whole shipbuilding industry.

I will not today go into too much detail regarding the boondoggle of the submarine fleet and how the British literally ripped us off and sold us a pig in a poke, which is actually undermining the whole O&M capability of the forces and other fleets because to try to make those things not float — certainly not sink, but actually function — is in the billions.

The auditor fleetingly touched upon that. I do not like to use the words "fleetingly" and "fleet," but I simply wish to bring to the leader's attention the fact that perhaps the government should take a serious look at whether we want to try to put that fleet in the water or whether we scrap it and go for a whole new capability and cut our losses.

Is the government, along with the Minister of National Defence, looking at that option?

**Senator LeBreton:** I wonder who it was that made this agreement with the British that got us into the situation in the first place with all those submarines.

Obviously, honourable senators, many people have views of that particular point in time when the decision was made to get into this arrangement with the British. The honourable senator is in a better position to answer for that than I.

Suffice to say that many people have many opinions as to what should be done with our submarine fleet. Far be it from me to weigh into the debate at the present time. I am quite certain that the officials at the Department of National Defence and the people in the forces themselves will at an appropriate time make a recommendation that will hopefully resolve this issue as those submarines sit on dry dock in Halifax.

[*Translation*]

## AGRICULTURE AND AGRI-FOOD

### SUPPLY MANAGEMENT

**Hon. Céline Hervieux-Payette:** Honourable senators, my question is for the Leader of the Government in the Senate, and to speed up our communication, I will ask the question in her first language.

[*English*]

This morning, I came across an article in the famous — my own adjective — *Globe and Mail* entitled "New Zealand disputes Harper's stand on tariff walls." There was a good picture of him, I must say.

The article discusses how the New Zealand trade minister, Tim Groser, used his speech at the opening of a dairy factory in New Zealand to raise questions about Canada's application to join the Trans-Pacific Partnership negotiations. He emphasized that existing Trans-Pacific member countries will vet applications from Canada, Mexico and Japan very carefully, seeking clear evidence that they are committed to liberalizing trade. He said admittance to the talks requires this.

We will be looking for clear political signals of a reasonably broad-based understanding that it is not just a matter of turning up at the club and demanding membership. . . .

When our leaders said 'eliminate' tariffs and other direct barriers to imports, they meant it.

Considering that New Zealand is the largest dairy exporter in the world and, as such, has great influence on the Trans-Pacific Partnership, will the Conservative government do the same thing it did to grain farmers and turn its back on Canadian dairy and egg farmers by killing supply management?

**Hon. Marjory LeBreton (Leader of the Government):** Honourable senators, I saw the article that the senator is referring to. As I mentioned in this place the other day, it is in Canada's interest to participate in all the trading arrangements that we can participate in. Our approach to the Trans-Pacific Partnership will be no different than our trade negotiations with the EU.

In that regard, we will seek to defend and promote our specific interests in every sector of our economy, as will New Zealand, I am sure, and as Japan and the United States will as well. All of us, everyone that is at the table, will obviously defend and promote our specific interests. In our case, one of these specific interests is supply management, which we made a commitment in our platform to defend.

**Senator Hervieux-Payette:** Honourable senators, in answer to my question on supply management on November 16, the minister stated:

It is so 1970s and 1980s. Things have changed so much since then, and so has farming.

If the leader read the article, she would know that was also what the minister said in New Zealand.

In the same *Globe and Mail* article, I was surprised to read that the Leader of the Government in the Senate shares the same opinion as the New Zealand trade minister. While summing up the Canadian system for his listeners, Mr. Groser said that our country's sheltered and centrally controlled dairy and poultry industries were outdated. He said:

Canada follows a policy that many governments used to follow but most have moved forward. . . .

It is called supply management. It is completely inconsistent with tariff elimination.

Considering that it appears that the leader agrees with Mr. Groser's opinion, will her government be honest with Canadian dairy, egg, poultry, pork and cattle farmers and admit that her government will be modernizing agriculture by killing supply management and with it any chance of Canadian farmers making a decent living?

**Senator LeBreton:** Honourable senators, Senator Hervieux-Payette had laid out a whole series of attitudes that I was referring to. I had very clearly answered the government's position with regard to supply management, but in her question to me — I do not have it at my fingertips but I could easily look it up — it was the overall attitudinal suggestions that I was referring to as being so much back in the 1970s. I would appreciate it if the honourable senator would not take my words out of context and try to cleverly match them up with some person from New Zealand whom I have never met.

#### NATIONAL DEFENCE ACT

##### BILL TO AMEND—SIXTH REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE PRESENTED

Leaving having been given to revert to Presentation of Reports from Standing or Special Committees:

**Hon. John. D. Wallace**, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, November 24, 2011

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

#### SIXTH REPORT

Your committee, to which was referred Bill C-16, An Act to amend the National Defence Act (military judges), has, in obedience to the order of reference of Tuesday, November 22, 2011, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

JOHN D. WALLACE  
*Chair*

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

(On motion of Senator Lang, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.)

• (1420)

#### ORDERS OF THE DAY

##### KEEPING CANADA'S ECONOMY AND JOBS GROWING BILL

##### SECOND READING

**Hon. Irving Gerstein** moved second reading of Bill C-13, An Act to implement certain provisions of the 2011 budget as updated on June 6, 2011 and other measures.

He said: Honourable senators, it is my pleasure to speak today in support of the passage of Bill C-13, the Keeping Canada's Economy and Jobs Growing Bill.

This bill is the next step in our government's very successful economic action plan, which has seen billions of dollars invested in over 100 strategic infrastructure projects to promote job growth, which has helped everyday Canadian families and businesses deal with the effects of the global economic turmoil.

Our economic plan has received widespread praise for its decisiveness, ingenuity, focus and fairness, but most of all, honourable senators, it has been praised for its effectiveness. I am reminded of the words of Winston Churchill, who once said, "However beautiful the strategy, you should occasionally look at the results."

The results of Canada's Economic Action Plan speak for themselves. Since July 2009, there have been nearly 600,000 net new jobs created in Canada, almost 90 per cent of those being full-time positions. *Forbes*, the influential business magazine, ranked Canada as the best country in the world for businesses to grow and create jobs. The World Economic Forum has once again ranked our banking system as the best in the world. While I am on that subject, I would be remiss if I did not mention the leadership of the Governor of the Bank of Canada, Mr. Mark Carney, and commend him on his recent appointment as Chairman of the Financial Stability Board.

Fittingly, Churchill also spoke of the importance of counting a nation's blessings in the face of adversity. Again, his words ring true today:

We have to look back along the path we have trodden these last three years of toil and strife to value properly all we have escaped and all we have achieved.

Of course, he was speaking of the British efforts during the Second World War, a far greater and far different challenge than the one we face now. However, honourable senators, the words could well describe the resilience of Canada's economy during the past three years of global economic turmoil.

It is worth noting that Churchill spoke those words in 1942, long before the struggle of which he spoke had ended. Similarly, the struggle of which I speak today, Canada's struggle to prosper in the midst of a difficult global economy, is far from over. Even from our position of relative comfort, one can still see the unsettling dark clouds that loom over the economies of Europe and the United States. That is why this next stage of Canada's Economic Action Plan is so crucial and why our government is committed to staying the course with our low tax plan to encourage employment and economic growth.

Honourable senators, at the risk of belabouring my admiration for Sir Winston, I feel compelled to complete a hat trick of sorts with a third and final quote from that great man: The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty.

While Canada's Economic Action Plan is our government's response to difficult times, it is also an optimistic blueprint for a brighter economic future for our country. This next stage of Canada's Economic Action Plan will increase and entrench Canada's many economic advantages, and our plan will eliminate Canada's deficit and decrease its debt-to-GDP ratio far earlier than most developed countries could hope to do.

Our plan will continue to attract businesses and create jobs; our plan will provide incentives for innovation and investment; and our plan will continue our low-tax agenda for Canadian families.

Thanks to our government's ongoing Economic Action Plan, Canadians have good reason to be optimistic in the face of a difficult global economy. Both the Organisation for Economic Co-operation and Development and the International Monetary Fund are forecasting that Canada's economic growth will outpace the rest of the Group of Seven for years to come. Canada will emerge from the global economic downturn far stronger and more competitive than we entered it.

Let me touch on some of the many ways in which Bill C-13 adds to the work already done by our Conservative government to build a world-leading economy for the future.

Bill C-13 will make permanent the transfer of gas tax revenue to municipalities to fund the infrastructure that is critical to the smooth functioning of our economy and the quality of life of Canadians. The Gas Tax Fund injects some \$2 billion per year into the coffers of Canadian towns and cities. By making it permanent, we will provide the certainty and stability needed for our communities to plan and implement long-term infrastructure studies and strategies. The president of the Federation of Canadian Municipalities, Berry Vrbanovic, during testimony on this bill in the other place said the following:

The gas tax fund was a great way to address the infrastructural issue in Canada . . .

The GTF has gone a long way to slowing the decline of our economic infrastructure.

. . . it's very important to emphasize that one of the clear messages we heard from our members was the need to have reliable, stable funding that they can count on toward dealing with the capital infrastructure investments they need to plan for going forward.

. . . it's extremely important going forward that we have reliable funding that we can count on. It will certainly give municipalities what they need to be able to plan financially, in terms of the work that needs to be done, and to balance out the various responsibilities they have.

Bill C-13 will also remove the mandatory retirement age in areas under federal jurisdiction. This measure eliminates a form of legislated age discrimination. Not only are Canadians living for a greater number of years, but they are also enjoying an increasing number of productive years. Removing the mandatory retirement age allows aging Canadians to continue to contribute to our society and economy while also continuing to build their own prosperity.

Unfortunately, honourable senators, and particularly for our colleague Senator Banks, I regret to inform you that this clause will not apply to senators.

Honourable senators, Bill C-13 will also put an end to the costly and undemocratic direct per-vote subsidy for political parties.

This subsidy is based solely on the number of votes received during the most recent general election, and, needless to say, such a subsidy always favours the incumbent governing party. Although the Conservative Party of Canada is presently by far the greatest beneficiary of the per-vote subsidy, we remain vehemently opposed to it on principle. The principle is no Canadian should ever be compelled to donate to a party whose policies are not in their interest, and no Canadian should be compelled to donate to a party whose principles they do not share.

However, that is exactly what the per-vote subsidy does. It takes away the freedom of Canadians to direct their political donations as they see fit.

This subsidy will be phased out over a period of four years, so it will be completely eliminated by the time of the next election.

As you are aware, I have often indicated my pride in being a bagman because fundraising is crucial to the health of Canada's political parties, and fundraising facilitates the political discourse sustaining our parliamentary democracy. It is therefore essential that our fundraising rules reflect our democratic values, including freedom of expression. Donating to a political party should be an individual act of free political expression and a willing sacrifice for a cause in which the donor believes. In a true democracy, political finance should never be disconnected from the will of the people.

• (1430)

When I spoke on Senator Dawson's Bill S-227 regarding pre-writ election expenses in March of this year, I expressed my complete agreement with his assertion that election outcomes should depend entirely on which party Canadians think has the best plan for the country. The elimination of the per vote subsidy will create a level playing field in which all parties will compete for the support of Canadians based on the quality of their ideas. As I have said on many occasions, a party's fundraising success depends on the effectiveness of its message. Honourable senators, message creates momentum, creates money. It is never the other way around.

Elimination of the per vote subsidy contained in Bill C-13 is obviously of particular interest, but there are many other laudable initiatives contained in this legislation, including: a new family caregiver tax credit, as well as removal of the limit caregivers can claim on eligible expenses related to caring for infirm dependant relatives; a new volunteer firefighters tax credit to recognize and assist the hundreds of Canadians who provide a vital service to their communities on their own time and at their own risk, an initiative presented to our government by the Canadian Association of Fire Chiefs as their top priority during last year's pre-budget consultations; a tax credit to encourage children's participation in the arts, which builds on the successful tax credit our government has already introduced for children's sports and physical activity; a student loan forgiveness program to encourage students in the medical field, both doctors and nurses, to settle in rural areas where they are most needed; an expansion of the tuition tax credit to include apprenticeship examinations, encouraging Canadians to enter into trades; a temporary hiring credit for small business to promote job creation; an expansion of the highly successful tax credits for clean energy generation to induce investments and help our environment, including the extension of the popular ecoEnergy Retrofit program; and an extension until 2013 of the accelerated capital cost allowance, as supported by the Canadian Labour Congress, for investment in machinery and equipment.

All of these initiatives are in addition to popular measures already taken by our government since 2008, including the introduction of the First-Time Home Buyers' Tax Credit, which provides a credit of up to \$750 to help Canadians purchase their first home, and the immensely popular Tax-Free Savings Account, which allows Canadians to save up to \$5,000 a year tax free.

Honourable senators, none of the initiatives contained in Bill C-13 should come as a surprise. They formed the foundation of our Conservative Party's most recent election platform, which received a firm endorsement from the Canadian people on May 2 of this year.

I urge colleagues on both sides of the chamber to join together in passing this legislation quickly so Canadians can begin to feel the relief they richly deserve.

**Hon. Pierrette Ringuette:** Honourable senators, I would like to thank my honourable colleague for the wonderful speech he just made as a promotion piece for Bill C-13. However, if you look on your desk, you will see that we are dealing with legislation that contains some 640 pages. We will have to take all of these pages into rigorous consideration, so the honourable senator may have misled all of you in regard to the quick passage of this bill. That will be up to the committee hearing from a considerable number of witnesses.

I would also like to stress to this chamber that my honourable colleague indicated that over 100 infrastructure projects were very successful and created jobs. However, I would like to highlight that the Interim Auditor General, in his most recent report, indicated that the government had absolutely no data to relate in regard to the infrastructure spending that was done and to the number of jobs that were created. Therefore, this is pure assumption that is not based on any kind of data.

The honourable senator also indicated that the current budget, Bill C-13, wants to encourage employment and that the committee will look into that. However, the honourable senator did not indicate where their cuts will be in regard to job creating programs in the different regions of our country, whether it will be through the ACOA program, the Quebec economic development entity, the one for Northern Ontario or for the Western provinces. We will have to look into these cuts that will directly reduce employment in this country. This is notwithstanding, of course, the 70 per cent of federal jobs in the National Capital Region that will be affected.

We have to understand to what degree these cuts will occur. Are we looking at measures that the government will be taking in this budget to reduce only the jobs of the young population of Canada, people who have just begun to work as federal employees or contract employees and are at the end of the employment scale? These young people, these young Canadians, will be cut, so then we will have to look at the proposal to fund bankrupt students who cannot pay their student loans because they have lost potential jobs due to government cuts. It is part of our responsibility not just to look at this bill for its face value and its front page. We have to look at the federal government budget in regard to its immediate, medium-term and long-term implications. I have serious concerns in regard to the young generation of Canadians, which statistically is the highest unemployed portion of Canadian citizens. They certainly require our attention.

[Translation]

It is not by chance that in recent weeks various groups belonging to the Occupy Canada movement have taken up residency in certain major Canadian cities. We must realize that these people have a view of the future that differs from that of the current government. We should also note that this phenomenon is not confined to Canada. Therefore, I believe that we should study in more depth the budget cuts that the government is proposing to make to various programs.

With regard to the transfer of gas tax revenues to municipalities, I would like to remind my honourable colleague that it was a Liberal government that introduced this initiative. And the fact that this will be a permanent measure is a secondary effect that you have acknowledged.

• (1440)

Honourable senators, my honourable colleague from the Standing Senate Committee on National Finance has indicated that we will deal with this bill expeditiously and quickly. I believe that, since the bill has some 600 pages, this would not do justice to the budget proposals.

As a member of the Standing Senate Committee on National Finance, I will certainly work to ensure that the initiatives set out in this bill are conducive to the well-being of Canadian citizens and not to maintaining the status quo.

[*English*]

**Hon. Jane Cordy:** Will the honourable senator take a question?

**Senator Ringuette:** Yes.

**Senator Cordy:** When Senator Gerstein was speaking he spoke about the concept in the bill that will remove the subsidies to political parties. We know that these subsidies were brought in by the Liberal government when maximum limits were brought in for donations to political parties.

Senator Ringuette is from New Brunswick and I am from Nova Scotia. I am noticing a disturbing trend in Atlantic Canada, which is the hiring of defeated Conservative candidates by government organizations, particularly ACOA in Atlantic Canada. Many of these candidates are put in jobs there until they can run as Conservative candidates in the next election.

The latest was in Nova Scotia, where Mr. Cecil Clarke, a defeated candidate in Cape Breton, was given a job in ACOA where he is actually making more money than the executive director of ACOA. For this purpose, a new position has been created. Does the honourable senator believe this is an abuse of taxpayers' money?

**Senator Ringuette:** Honourable senators, I would like to thank my colleague for the question. We all know that currently the commissioner for the Public Service Commission is investigating certain hiring practices in ACOA. From the little evidence I have seen in this regard, I believe the commissioner, who is supposed to report early next year, will certainly have to question the merit principle, the open advertising principle and the qualification principle. Based on that, we should have an extremely interesting report.

In regard to political financing, I ran in four different political elections, two provincial and two federal. I honestly believe that it is unfortunate, but we have an entire slate of Canadians who have completely removed themselves from any kind of political process. We saw that result in the last election.

Honourable senators, you may want to do a drum roll, but I would like to remind Conservatives that they got the support of only 24 per cent of the Canadian electorate.

**An Hon. Senator:** How much did you get?

**Senator Ringuette:** Twenty-four per cent, when you take 40 per cent of 49 per cent.

**Some Hon. Senators:** Oh, oh.

**Senator Oliver:** It adds up to be a majority.

**Senator Ringuette:** This is fun. I love this! His Honour seems to like it, too.

Honourable senators, you can fiddle with political financing but I think, as a chamber of sober second thought, we have not done due diligence in the last 10 years in regard to enhancing the political input of our citizens, especially on election day. When we consider ourselves a democracy and only 49 per cent of our citizens who are allowed to vote actually vote on election day, it should stir up concern a lot more than what is our national animal symbol.

**Some Hon. Senators:** Hear, hear.

**Senator Ringuette:** I hope that answers my honourable colleague's question.

**Senator Cordy:** Thank you.

**Senator Ringuette:** You are welcome.

**Hon. Donald Neil Plett:** Would the senator entertain another question?

**Senator Ringuette:** Absolutely, let's go!

**Senator Plett:** The honourable senator, of course, used to be a member of Parliament. When she got defeated in 1997 and then took a job with Canada Post, would the senator have considered that to be a bit of an abuse?

**Some Hon. Senators:** Oh, oh!

**Senator Ringuette:** We are in a situation where perhaps the honourable senator forgot to do a preamble to his question and answer why and in what situation he was appointed to this chamber.

Honourable senators, I have absolutely no doubt about the qualifications that I had when I took a job with Canada Post. There is absolutely no question in regard to the quality of the job I did while employed at Canada Post.

I am sorry; if Senator Eaton wants to answer the question from Senator Plett I will let her voluntarily.

**The Hon. the Speaker:** The Honourable Senator Banks.

**Hon. Tommy Banks:** Honourable senators, just before we proceed with important matters, I want to thank Senator Gerstein for three things: First, for invoking Mr. Churchill, which is always good to do; second, for letting us know that his government is continuing good Liberal policies like the gas tax and clear regulation for the banks; and third, for making clear that his party's discrimination in respect to exempting senators from the age limit is directed specifically at me and not at everyone else.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

(Motion agreed to and bill read second time.)

## REFERRED TO COMMITTEE

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the third time?

(On motion of Senator Gerstein, bill referred to the Standing Senate Committee on National Finance.)

## MARKETING FREEDOM FOR GRAIN FARMERS BILL

MOTION TO AUTHORIZE AGRICULTURE AND FORESTRY COMMITTEE TO STUDY SUBJECT MATTER—MOTION IN AMENDMENT—DEBATE SUSPENDED

On the Order:

Resuming debate on the motion of the Honourable Senator Plett, seconded by the Honourable Senator Patterson:

That, in accordance with rule 74(1), the Standing Senate Committee on Agriculture and Forestry be authorized to examine the subject-matter of Bill C-18, An Act to reorganize the Canadian Wheat Board and to make consequential and related amendments to certain Acts, introduced in the House of Commons on October 18, 2011, in advance of the said bill coming before the Senate;

And on the motion in amendment of the Honourable Senator Chaput, seconded by the Honourable Senator Mahovlich, that this motion not now be adopted, but that it be amended by adding:

“and, if the Committee decides to hold hearings on the subject matter of Bill C-18, it give consideration to hearing from all the thirteen current Directors of the Canadian Wheat Board.”

**Hon. Doug Finley:** Honourable senators, I am pleased to speak to the proposed transition from a single desk system to an open market system for wheat and barley in Western Canada.

• (1450)

The “Iron Lady,” Margaret Thatcher, probably summed up this debate in one short statement:

The controversy is between competitive free enterprise and monopolistic industrial bureaucracy.

The status quo forces Western farmers to sell their grain through a monopolistic bureaucratic agency. Bill C-18, as tabled by Minister Ritz on October 18, allows farmers to sell their grain to anyone they so choose, including the Wheat Board. This is what Liberals disagree with. They will put on their show; they will cry crocodile tears but at the end of the day, it is their left-wing, statist ideology that forces them to support monopolistic bureaucracies, and oppose individual liberties and free market policies.

Canadian farmers feed the world and they deserve the freedom to make their own business decisions, whether that is to market individually or through a voluntary pool.

I would like to build on what others have said by touching on three points: first, the background and context of this debate; second, the transitional initiatives; third, and last, the real reasons why the opposition opposes market freedom for Western Canadian farmers.

First, the context. Currently, the barley, wheat and durum grown in Manitoba, Saskatchewan, Alberta and the Peace River region of British Columbia, must be marketed through the Canadian Wheat Board. The Liberal Party supports this discriminatory policy imposed on western farmers.

I ask those honourable senators seated across from me: Do you not consider Western farmers with the same regard as Eastern farmers? The answer is, evidently, “no.” The Liberal Party has demonstrated the resentment and contempt toward Western Canada time and time again: the National Energy Program, the long-gun registry, their carbon tax scheme. The list goes on and on.

If the Wheat Board is such a successful tool for producers, why, then, are not all other farmers insisting that their commodities be brought under a mandatory system like the Wheat Board?

I would like to give the city folk, such as Senator Banks and Senator Mitchell, a wee bit of a farming lesson. I live in a community that has a very strong and incredibly diverse agricultural industry. Anything that can be grown in Canada can be grown in Ontario—South Coast. In order to ensure appropriate nutrient levels and prevent disease, farmers must rotate their crops in a cycle every three or four years; some do it every two years. On prairie farms, in addition to grains, these rotating crops can include canola, lentils, flax, peas, et cetera. As a result of the Wheat Board monopoly in Western Canada, it has been clearly proven and often claimed by these farmers, who do the crop rotation, that the net financial return is by far the lowest for wheat.

Honourable senators, we believe that all Canadian farmers should be able to position their businesses to capture the best value for their product. Let us look further at the current status quo.

We have a top heavy agency that has refused to release detailed grain sales information in order to allow growers to analyze that board’s marketing performance and an agency that has seen, for the past 20 years, its administrative costs rise by an average of \$1.99 million per year, in spite of declines in Canadian Wheat Board grains administered. Even when our all-too-gracious then Minister of Agriculture, Ralph Goodale, allowed for a one-time special audit by the Auditor General, the Wheat Board insisted that the report not focus on its marketing performance and thereby it was not included.

Honourable senators, what is it that the Canadian Wheat Board is so afraid of farmers finding out? Why does the Liberal Party support this withholding of information?

Our Western farmers are the world's best grain producers. However, the Liberals do not believe in giving Western farmers the right to empower them to compete in the global economy. Liberals do not believe in our Western farmers. That is truly a shame!

The government has received extensive input, through a number of different avenues, on the best way to move forward towards an open market. This is what we see in Bill C-18.

Next is the transition. The marketing freedom for grain farmers act is designed to take a phased approach in a way that gives the Canadian Wheat Board sufficient time to prepare a business plan for a viable entity in the grain marketing system. The bill allows the Canadian Wheat Board to continue offering pooling services to farmers who wish to market through that approach for five years. At the same time, the Canadian Wheat Board will be a voluntary marketing option, allowing producers to market their wheat and barley as they do canola or pulses, if that is their preference. The door will also be open for the Canadian Wheat Board to market new crops from right across the country.

When Bill C-18 becomes law, as of August 2012, the market will be opened and the monopoly will be eliminated. An interim voluntary Canadian Wheat Board will be created with a government financial guarantee for up to five years. Within four years of Royal Assent, at the latest, the Canadian Wheat Board must submit a plan to privatize, whether as a public for-profit company or as a cooperative. At the latest, the Canadian Wheat Board will become a private entity within five years, and the interim provisions will end; or, if there are no viable plans to continue, the legislation provides for the Canadian Wheat Board to be wound up. This phased approach will allow the industry the predictability and certainty it needs to transition to the open market.

On the subject of rail, as the minister has pointed out, the government has worked and continues to work closely with industry to ensure a smooth transition with maximum clarity and certainty for farmers and all players in the grain supply chain. Our government is ensuring proper rail services, with the recent appointment of the lead for Transport Canada's facilitation process to enhance rail freight service. Our government has committed to tabling legislative changes that will give all shippers the ability to establish service agreements with the railways, promoting more predictable and efficient service.

Minister Ritz has also put in place a crop logistics working group to discuss issues to be pursued in the Transport Canada facilitation process and any other transportation and supply chain issues arising from the transition to marketing freedom for wheat and barley. The department is also working with Transport Canada on an in-depth analysis of the grain supply chain system to focus on issues that affect that sector and identify potential solutions. This is riveting stuff.

In addition, Transport Canada will establish a commodity supply chain table as a forum for exporters to address issues that affect the supply chain and to provide advice on a development of supply chain performance metrics.

Honourable senators, I would now like to discuss why the Liberals really fear and oppose this bill.

Our agricultural industry is driving our economy, but Western farmers cannot remain competitive in the international market under such an oppressive process. Across the floor of the chamber, those honourable senators are clinging to a party that claims to stand for the "little" guy. How is it, then, that those sitting across from me can stand for the Canadian Wheat Board? Rather than standing up and supporting the thousands of Western farmers, Liberals pay homage to the "1 per cent," also known as the 13 members of the high-rolling board of directors of the Canadian Wheat Board. The only people for whom the Liberals stand up these days are the big permit holders, the big union bosses, the special interest groups and even the big criminals. Perhaps this is why Peter C. Newman believes that they are destined for the dustbin of history.

• (1500)

They claim we have no mandate to pass Bill C-18. Let us look at three victorious Conservative platforms: page 19 in 2006, page 21 in 2008, and page 59 in 2011. All promise market freedom for Western farmers. Unlike the Liberal Red Books of days gone by, our promises actually mean something.

Let us look at the results from a few farming communities in some Western ridings in the last election: Brandon—Souris, CPC 64 per cent, Liberals 5; Portage—Lisgar, CPC 76 per cent, Liberals 6; Blackstrap, CPC 54, Liberals 6; Crowfoot, CPC 84 per cent, Liberals 2.3; and Wetaskiwin, a fine farming area, CPC 81.4 per cent, Liberals less than 3 per cent. I have only scraped the surface. The Liberals got their deposits back in only five rural seats; only five.

The only party that stands up for the average Canadian is the Conservative Party of Canada, and Canadians agree that the Conservative Party is Canada's party. The problem with the members on the opposite side is that they truly believe, to the deepest level of their being, that more government and more bureaucracy is the solution to our country's problems. Their answer to every question is that we need to create a new department, a new program, a new regulation, and a new bureaucratic process in order to protect us from ourselves. In order to pay for this nannying, they want to increase our taxes. The other side has no concept of personal responsibility, common sense or innovative spirit. They seem to feel that Canadians cannot exist without them.

I have potentially earth-shattering news for them. The only thing that prevents people from succeeding on their own through the great Canadian innovative spirit that brought all of us to this great land in the first place is government. Canadians face red tape, regulations and endless bureaucracy at every corner, and then at the end of the day, they come home with a paycheque that has too much deducted from it.

As the great Ronald Reagan said, "Government is not the solution to our problem; government is the problem." Stephen Harper has done a tremendous job of supporting the free market, reducing taxes and reducing the role of government in our lives. However, fixing the over-regulation and high taxation that was established by Liberal governments, which ruled for approximately 40 of the 55 years prior to our government getting elected, cannot be solved overnight.

Honourable senators, to summarize, this bill is an important step in the right direction. Our government committed to giving Western Canadian grain farmers the marketing freedom they deserve, and Bill C-18 fulfills this commitment. A promise made, a promise kept.

Our common goal is to provide Canadian farmers with the freedom to achieve economic success. Currently, the grain business in Canada produces around \$16 billion in farm cash receipts and drives over \$7 billion of our exports. We believe this can grow even higher by supporting a free market and supporting the Canadian innovative spirit.

Bill C-18 will help build a more innovative, modern and sustainable sector that will see farmers meeting growing global demand, investing in value-added activities and keeping agriculture at the heart of the Canadian economy.

I will close with one brief quote from Kevin Bender of the Western Canadian Wheat Growers Association:

Every farmer will now have the freedom to decide what is right for his or her farm. You can't get more democratic than that.

**Hon. Robert W. Peterson:** Would the honourable senator take a question?

**The Hon. the Speaker:** The honourable senator's time has expired. Unless he asks for time, no.

**Senator Peterson:** Can I make a statement, then?

**The Hon. the Speaker:** The honourable senator has already spoken on debate. Senator Moore on debate.

**Hon. Wilfred P. Moore:** Honourable senators, I would like to assure senators opposite that I am not on my feet here defending the members of board. I am here today to speak about the farmers of Western Canada and the sorry lot that they find themselves in as a result of the action by this turncoat Reform government.

What I find interesting, honourable senators, is that I have not heard anyone talk about or table an economic impact study as to what will happen here. We have heard nothing about that. We do not know anything about the assets of the Wheat Board, who will get them, how they will be distributed, or what their numbers are.

We know that so far the board has done well to get top dollar for the farmers. Now we want to get rid of that. We want to get rid of the monopoly and give it to an American oligopoly. What are we doing? We are transferring the sovereignty of our trading to the U.S.

The honourable senator opposite can shake his head, but it does not take much imagination to realize what will happen here. The big people in the U.S., the conglomerates, will be coming in and offering prices, their prices, saying: "We will give you what you want, but buy our feed and our fertilizer." That is what will happen. Maybe the farmers need to have a taste of this to realize what will happen to them.

This is not just a western issue. I have a bunch of letters here. We have all received letters from people in the West and across the country. I have a couple of letters from Nova Scotia:

I am very troubled that politicians have been treating the farmers who want the Canadian Wheat Board with such disrespect, dismissal, even disdain. Imagine our Prime Minister saying the train is coming, so you better get off the track. What a horrible metaphor. They need to appreciate that the train track crosses Canada and that people across Canada are concerned with this process. This bill is a larger issue than the Canadian Wheat Board. It is a question of democracy. Why the need to rush it through?

Another says:

I know the chance that the Canadian Wheat Board will be saved is essentially nil. This is a last-ditch attempt by me to ask that you reflect on this further and ask other members of the Senate to pause and consider the ramification of Bill C-18. Is there a reasonable problem in delaying the decision? What is the motivation behind this hard push to get the bill through? People have told me that there is no point in writing to senators, that it is a petrified forest, but after reading your biographies I was encouraged by the expertise and accomplishments amongst you and by the involvement in such areas as social justice, philanthropy and gardening. You are obviously wise people and I hope that you can influence the whole Senate by taking a non-partisan perspective with integrity and eloquence. It is my hope that you will be united in showing the country that Nova Scotian senators support the Canadian Wheat Board in principle until both sides can provide more evidence upon which to make an informed decision.

These are letters from Ontario, which is interesting:

Destroying the Canadian Wheat Board will take millions of dollars out of farmers' pockets and hand it on a platter to the multinational grain corporations. This not only will affect farmers, but our rural communities as well. The Canadian Wheat Board is a good example of food sovereignty in action. It is a democratic agency controlled by food producers and citizens who collectively shape the food system to guarantee a healthy, productive Canadian society.

• (1510)

Here is one from a farmer in Ontario:

I am vehemently opposed to the abolishment of the Wheat Board. I am disgusted with the undemocratic actions of the Canadian government against the welfare of hard-working Canadian farmers. It is difficult in these times to keep a farm profitable as it is. The small farmer is a real benefit to diversity, availability, cost and quality. I think that the government is trying to hand over our farms to big business. Please stop this malicious action now.

This is one from a farmer in Manitoba:

I request that Bill C-18 be shelved and that the farmers be allowed to decide the future of the marketing board via plebiscite, as set out in section 47.1 of the Canadian Wheat Board Act.

I will say more about that in a moment.

Here is another one from Manitoba:

I would greatly appreciate you standing up to defend the majority of the Prairie farmers who want to keep the Wheat Board as it now is. You would be also standing for the many employees of the board and for the residents of Churchill, Manitoba.

Goodbye, Churchill, if this goes through.

The Harper government is breaking the law of Canada by not giving their farmers their plebiscite of wanting the Canadian Wheat Board. We say that 62 per cent of farmers still want the board. If the law can be broken by government, what is next on the list to go? Our democracy is at stake.

PS. Thank God we still have the Senate.

Another from Saskatchewan:

I am writing to you as a young farmer from Saskatchewan who is concerned about the loss of the board. As a Canadian I am horrified that the federal government can take the board's single desk away without letting farmers have a vote. Is this democracy? I will no longer be able to load producer cars and have a financial benefit if the single desk is removed. I am also deeply concerned that the grain trade will have operational control over all aspects of transportation, and farmers will have no input.

Another one from Saskatchewan:

Although we organic producers sell our product into higher-priced niche markets, we have always had the freedom under the Canadian Wheat Board Act to use the buy-back in order to independently sell our grain into organic markets without impacting the price pool for other producers. The Canadian Wheat Board single desk enhances the value of Canadian grain overall in the world marketplace and more than offsets any buy-back costs.

Another one, I will just read a couple lines, also from Saskatchewan:

I do not believe that I have ever seen so much anger and cynicism in the farm community. I think it is fair to say that most feel their national government has totally betrayed them.

Here is another one from Saskatchewan:

We feel that larger grain companies are the ones who will benefit as they did before the Canadian Wheat Board came into being and that this will be the end of farming as we know it. It is very hard to see the work of the people who went before us, so that farmers could receive a fair price for their wheat and barley and not be held hostage by the grain companies, to see that work be trashed.

Honourable senators, this goes on. Here is another one from Saskatchewan:

Presently the Wheat Board has a 15-member board of directors: 10 elected by farmers. What is going to happen to that board? Is the government going to appoint their own members to the board? It seems likely that farmers will have no say in the operation of the board. We certainly do not regard this bulldozing process as democratic.

This one is from Alberta:

I am writing to express my deep concern over Bill C-18, which seeks to end single-desk selling by the Canadian Wheat Board. This is completely unacceptable to me as a western farmer who supports retention of the board. Time and again the majority of western producers have shown their support for the board at the ballot box by electing directors who support single-desk marketing and selling.

The farmers who have most at risk here get to vote for the directors in a free vote, and they do that and voted for directors who want to retain the board. I must be missing something here.

This is another one from Alberta:

In fairness to grain farmers in Western Canada and to rural communities, could the Senate hold public hearings across Western Canada? This would give us the opportunity to let government and the public understand the impact this irreversible change will have on our farms, rural communities and the environment.

Here is another one from Alberta:

If Canada is a democracy, why would farmers be denied the right to determine the future of the Wheat Board? Are the actions of the present government illegal?

Good question.

Section 47.1 of the board act stipulates that grain producers shall have a right to vote prior to any substantive change to the board's marketing mandate.

This is one is from B.C.:

Saving the Wheat Board matters to me. Losing it will affect the food we serve our families, our communities' economies and Canada's democracy.

There is no doubt, honourable senators, about the feelings of the people across Canada with regard to the Wheat Board and its importance to them.

A couple of those notes referred to section 47.1 of the Canadian Wheat Board Act, which I just happen to have here, which says:

The Minister shall not cause to be introduced in Parliament a bill that would exclude any kind, type, class or grade of wheat or barley, or wheat or barley produced in any area in Canada, from the provisions of Part IV, either in whole or

in part, or generally, or for any period, or that would extend the application of Part III or Part IV or both Parts III and IV to any other grain, unless

(a) the Minister has consulted with the board about the exclusion or extension; and

(b) the producers of the grain have voted in favour of the exclusion or extension, the voting process having been determined by the Minister.

It sounds to me, honourable senators, like the people in the West, the farmers who are most impacted by this proposed law, want to have the right to vote, as set out in the existing act.

There is a little oath here:

I, \_\_\_\_\_, do swear (declare) that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second, Queen of Canada, Her Heirs and Successors. So help me God

That is the oath that members of cabinet take and that senators take. This is allegiance not so much to the figure on the throne but to the Crown and other institutions and concepts that the Crown represents. Among those concepts are our Constitution, our traditions, the legal basis of ministerial responsibility, and the responsibility that we have as appointees to this chamber.

It is clear to me. Why are we going to places like Afghanistan and Libya and trying to impress upon those people the worth and value of the western way, the democratic way, the rule of law way, when we are not doing it ourselves? It is absolutely disingenuous, honourable senators. I cannot, for the love of me, understand why the farmers, the producers of grain and barley, are not given the opportunity to have a plebiscite and to vote as stipulated in the law of the land. The law of Canada says they have that right. Why are we not doing that? I do not understand that.

**Senator Mitchell:** Mr. Harper is above the law.

**Senator Moore:** I heard some comments opposite about the Liberal Party and who we believe in and so on. There is no doubt in my mind that we believe in farmers. There is no doubt in my mind that we believe in their rights.

Put it to the test. Senator Greene, put it to the test. You let them have their plebiscite, as provided by law. You did not tell them what you were doing.

Honourable senators, there is no doubt about the impact that this will have on the communities, on the small tracks and the equipment they have invested in. What will happen to those assets and jobs? Where is the impact study that tells us all about that?

We have heard this is a multi-billion dollar business, and we will be turning it over basically to large conglomerates of the United States of America. I think it is wrong. It will happen. They may have subsidiaries in Canada, but make no mistake there will be a big sucking noise of Canadian dollars going south. You will hear it.

Honourable senators, I think this is wrong. I think that farmers should be given the opportunities provided for in the act. I hope that the reasonable senators in this place will give sober second thought to this issue and that farmers will be given that opportunity.

(Debate suspended.)

• (1520)

## DISTINGUISHED VISITOR IN THE GALLERY

**The Hon. the Speaker:** Honourable senators, before proceeding further, I would like to draw the attention of all honourable senators to the presence in the gallery of our former colleague, distinguished member of Her Majesty's Privy Council of Canada, former Speaker of the Senate and Leader of the Opposition, Senator Dan Hays.

**Hon. Senators:** Hear, hear!

## MARKETING FREEDOM FOR GRAIN FARMERS BILL

MOTION TO AUTHORIZE AGRICULTURE  
AND FORESTRY COMMITTEE TO STUDY  
SUBJECT MATTER—MOTION IN AMENDMENT—  
DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Plett, seconded by the Honourable Senator Patterson:

That, in accordance with rule 74(1), the Standing Senate Committee on Agriculture and Forestry be authorized to examine the subject-matter of Bill C-18, An Act to reorganize the Canadian Wheat Board and to make consequential and related amendments to certain Acts, introduced in the House of Commons on October 18, 2011, in advance of the said bill coming before the Senate;

And on the motion in amendment of the Honourable Senator Chaput, seconded by the Honourable Senator Mahovlich, that this motion not now be adopted, but that it be amended by adding:

“and, if the Committee decides to hold hearings on the subject matter of Bill C-18, it give consideration to hearing from all the thirteen current Directors of the Canadian Wheat Board.”

**The Hon. the Speaker:** Questions or comments?

**Hon. Donald Neil Plett:** Would the honourable senator accept a question?

**Hon. Wilfred P. Moore:** Yes.

**Senator Plett:** Honourable senators, I have a few questions, if I could.

The other day we were speaking about what single-desk marketing does and what happens when people try to sell their wheat in the free market, and I shared a story about a Manitoban who had been sent to jail. The honourable senator and I then had a conversation, and he asked me why he would not have just sold his wheat in the free market. If the Wheat Board would not sell it, why would he not have sold his wheat in the free market? I explained what single desk meant and what the Wheat Board did.

Has he had a revelation since then, or what? At that point, he told me that he thought the person should have been able to sell his wheat.

For my next question I will have a little bit of a preamble, if I could. Senator Mockler and I met with nine farmers a week ago. They raised concerns and issues and of course they wanted very badly for us to provide a proper amount of time —

**The Hon. the Speaker:** Senator Moore's time has now expired. Is he asking for five more minutes?

**Senator Moore:** Yes, reasonable time within the rules and so on.

**Some Hon. Senators:** Agreed.

**Senator Plett:** These farmers were in the office and they had some concerns. We had a wonderful meeting. They were all Western Canadian farmers, some from Manitoba.

At the end of the meeting, Senator Mockler asked each of the farmers: "Have you read the legislation?" Out of the nine farmers, eight had not read the legislation, but they were concerned about it; eight out of nine.

The honourable senator has asked a number of questions: "What happens to this, to that and the other?" This is all in the legislation. We are not doing away with the Wheat Board; we want to do away with single-desk marketing, not the Wheat Board. The Wheat Board will still exist.

Has the honourable senator read this legislation from start to finish so that he can ensure he knows what the answers are to the questions he has been asking here today? Has he read this legislation?

**Senator Moore:** Honourable senators, I thank Senator Plett for the questions.

I gave reflection and did some research with regard to the discussion the honourable senator and I had, and there was nothing preventing that farmer from selling his produce. The Wheat Board has a producer-direct sale program; he could have used that.

Now, I do not know all the facts in that case, but this might have been a staged protest, such that the Bianchi's did in Alberta. It might have been. I do not know, but it could have been.

With regard to reading the bill through from one letter to the other, I did not. However, I do know the bill does not contain an economic impact study, and that is what this is all about.

**Senator Plett:** I will simply go a little further with the question if the honourable senator is saying this farmer could possibly have sold his wheat.

Is the senator in favour of dual marketing? Never mind the Wheat Board; the Wheat Board will be there. Is he in favour of dual marketing? If the Wheat Board does not want to sell a person's wheat, should that person be allowed to sell it on the open market, yes or no? Should that person be able to sell his wheat freely like people in Eastern Canada and right across our country can do? Should he be allowed to do that as well?

**Senator Moore:** Make no mistake about it, I am in favour of the Canadian Wheat Board. I would rather have a Canadian monopoly than a big business American oligopoly.

**Hon. Tommy Banks:** Honourable senators, I have a short question to Senator Moore. I would appreciate it very much because I think this bears repeating, and I am not sure that we all here have heard this, but would Senator Moore do me the honour of repeating section 47.1 of the Canadian Wheat Board Act? I did not quite understand what he said.

**Senator Moore:** I would be happy to, honourable senators.

**Senator Banks:** Slowly.

**Senator Moore:** Section 47.1, Canadian Wheat Board Act, Revised Statutes of Canada, 1985, last amended March 1, 2007:

The Minister shall not cause to be introduced in Parliament a bill that would exclude any kind, type, class or grade of wheat or barley, or wheat or barley produced in any area in Canada, from the provisions of Part IV, either in whole or in part, or generally, or for any period, or that would extend the application of Part III or Part IV or both Parts III and IV to any other grain, unless

(a) the Minister has consulted with the board about the exclusion or extension; and

(b) the producers of the grain have voted in favour of the exclusion or extension, the voting process having been determined by the Minister.

**Senator Banks:** On a supplementary question, I am not a lawyer, but does that not mean that the Minister of the Crown, of whatever colour, cannot introduce into Parliament a bill that would have the effect of changing the nature of the sale of grain from the single-desk system unless — and I am going now to the last part — he has (a) consulted the board, which he may or may not have, and — not "or" — the farmers have had a chance to express their opinion in a plebiscite done at the direction of the minister? Am I correct in reading that?

**Senator Moore:** Honourable senators, Senator Banks is correct. That is the law of Canada.

**Hon. Bert Brown:** Honourable senators, as probably the only Canadian farmer from the West who is in this chamber right now, I have spoken to a lot of farmers over my career, which spans

about 40 years. I want to go back to what I said yesterday to tell you why we have to democratize the Western Canadian Wheat Board.

When World War I broke out in Europe, the Canadian government passed legislation to create what was called the Canadian Grain Commission to control the wheat produced in the Western Prairies. The purpose was to ensure food for the soldiers of Mother England.

When World War II broke out, the Canadian Grain Commission was formalized as the Western Canadian Wheat Board, which put an embargo on Western wheat and controlled the price the farmers in the Prairies would get for their investment and their labour.

To protect themselves after the end of World War II, farmers formed cooperatives in the Prairies; the Alberta Wheat Pool sprang up, along with Alberta Pacific Grain, the federal Saskatchewan Wheat Pool, the Manitoba Pool, United Grain Growers, Pioneer Grain Company, National Grain Company and Parrish and Heimbecker. The wheat pools provided storage for grain but still had to market all their wheat and barley through the Wheat Board.

The most damaging to farmers of one-desk marketing through the Wheat Board was, first, the Wheat Board gave farmers an initial payment for grain shipped to the elevator. The final payment for grain to the farmer was always months later, in some cases and in my own case, as long as 18 months. Finally, the amount of money deducted for ships at harbour waiting to be loaded with grain for China or European countries also went into the cost of the Canadian farmer.

• (1530)

Over the years, as a farming company, my wife and I were denied half of our initial payment because we were considered as two executives of a single company, even though we were married and all those other farmers received 100 per cent of the initial payment. My wife, Alice, was mildly unhappy about this outcome because we could have been divorced, and, as individuals, we would have gotten 100 per cent of the Wheat Board's initial payments. Alice has never been one to settle grievances when she knows she is on the side of right. She took her problem to the Member of Parliament for Bow River, Gordon Taylor. Mr. Taylor said in a speech that it was a travesty that Alice and Bert Brown would have to divorce and live in sin in order to get 100 per cent of their initial payment for their wheat crop.

What has happened to farmers since those days became a real travesty of justice. I was asked to go to Lethbridge, Alberta, to witness a grain farmer being arrested and jailed for selling a truckload of wheat across Canada's border into the United States. That farmer's truck was confiscated, and his family was without his presence. To this day, there may still be a sign very close to the Canadian border that says, "Welcome to Canada, the only country in the world that jails their farmers for growing food."

As a result of my wife's action, I was encouraged to put my name up for election to the advisory board of the Canadian Wheat Board. The board was just beginning to have elected members as opposed to all government-appointed members. I was

told to give a résumé, a certified cheque and a reason I should be a board member as a farmer in that district, and I was instructed to mail all those items to a post office box rented by the Wheat Board. I did everything required and waited the months before the election was to take place. When I called the election officer for the board, he told me that the election was over and that I had not sent in the required papers to be on the list of prospective candidates. When I responded by telling him I had mailed everything asked for by certified letter, I also mentioned that I keep copies of everything I mail. The gentleman hung up. Weeks later he told me I had mailed my application form a few weeks before the Wheat Board had rented the post office box. That was quite a foolish response because he never told me what happened to my application. Why would he want me to mail my application to the post office box that they had never rented?

Thinking back over the years, I guess that is why my wife went on to fight for farm women's causes and the advancement of women's causes in general. For that work, she received the Governor General's Persons Case medal, and after working for a number of years, she became a dual citizen of Canada as a born American. The same night she was awarded the Governor General's medal, I won the second senatorial election in Alberta.

The damage the Western Canadian Wheat Board has done to farmers over my career as a farmer is almost impossible to gauge. When I bought my first self-propelled combine, it was two years old and cost \$34,000. The next one, six years later, was also two years old and cost \$96,000. The last one, again, had been used for a couple of years and cost \$195,000. Buying a new combine today costs \$300,000 and each header straight cut or pickup costs \$30,000.

Farmers need cash for their wheat and barley crops because of the high interest rates that go into their machinery and their fertilizer.

When a farmer ships grain through the Wheat Board, the interest costs incurred by initial payments, delay and demurrage for anchored ships come right out of the payment given to the board but not yet paid out to the farmers. The larger farmers are forced to cover more land with bigger tractors, feeders, sprayers and harvesters. The Wheat Board single desk loses millions of dollars of the farmers' money that they should have gotten for their wheat and barley when it was delivered. These delays are added to the millions of dollars in costs on tonnes of fertilizer and machinery.

I shudder to remember that the Wheat Board has, for decades, undersold farmers' crops in Western Canada when the Wheat Board in Ontario and Quebec has always been allowed to sell their grain to any market that will buy and get the existing full price.

When the Wheat Board sells grain, the travesty is frequently theirs. I have never known the board to get higher prices than other markets. Maybe that is part of why it sometimes carries as much as a half a billion dollars in deficit.

Only a few weeks ago, I talked to a farmer in Southern Alberta who said the Wheat Board had cost him a dollar less per bushel this year. Later, I talked to farmers in Edmonton who told me that they lost \$2.50 per bushel for their farms.

**Hon. James S. Cowan (Leader of the Opposition):** Would the honourable senator entertain a question?

**Senator Brown:** Yes.

**Senator Cowan:** Senator, you outlined the history of the Wheat Board, and obviously you are familiar with the legislation that established the Wheat Board and the various changes that have been made over the years.

I am sure you listened to Senator Moore when he spoke a few minutes ago and referred to section 47 of the act. For greater clarification, Senator Banks asked that that be repeated. I would ask you, as a student of the law and a student of the Wheat Board legislation, in particular, to comment on section 47(1)(b) of the Canadian Wheat Board Act. I am sure you know it, but it does say that it prohibits the introduction of a bill that would make a significant change unless the producers of the grain have voted in favour of whatever it is that is proposed.

Can you comment on that, Senator Brown?

**Senator Brown:** I would be happy to speak to that issue. First, there are many sizes of farmers in the Western Canadian growers. There are what used to be called "homesteaders," people who were allowed a quarter section of land, and if they farmed it for three to five years it would be theirs without their having to buy it at all. They still exist. They worked for a lot of oil companies in northern parts of provinces, and they probably shipped one or two truckloads of grain from 160 acres.

Farming is so big now, and most of the farmers in the southern parts of provinces farm thousands of acres, some of them as much as 30,000 acres. That was one farmer I know of.

It is unconscionable the amount of cash they need to keep their flow going with the banks and everything else and to have to keep that months or even a year before they get the rest of their money.

However, to answer the question directly, my understanding of government is that when you are in government, and when you have a majority government, you can pass a bill. We have done that many times over the generations.

We have also changed other bills. This side now has a huge majority government. They have told not once, not twice, not three times but four times when they ran on this side of the aisle that they would fix the Canadian Wheat Board. On your side, they have said, first, that we will destroy it. They have said it many times. One senator said it about 40 times in 20 minutes. He said we are going to destroy the Wheat Board. Now he has changed his mind that we will change the Wheat Board but we will damage it.

• (1540)

My argument is simple: As a majority government, we have the right to change bills, to take bills away and to make them better, when it is done in the interests of the people that are involved. That has never been the farmers. It has always been the Wheat Board, and it has always been the Wheat Board ever since they created it to give wheat to Mother England. This has never been changed. It has had amendments to it and a lot of other things.

The slickest trick they pulled lately is to have the buyback. Now we have farmers who have spent all their money to grow a crop and to combine it, and then they have to give their grain to the Wheat Board, and then they have to buy it back before they can sell it anywhere else. That is a pretty neat little gadget so the board can keep on getting more and more and more money out of the wheat growers.

All we are asking is democracy. Real democracy is if you have a shoe store you do not have anyone telling you who you can sell your shoes to. You sell them to anyone who comes through the door. No one gets to take part of your profits, except the government gets to take the tax. No one gets to tell you what kind of a business you have and who can buy anything from you. I do not care whether it is shoes, whether it is clothing, whether it is food, whatever it is. It should never have dragged on for generations taking money from farmers and not giving them a chance to sell to whoever they want.

**Senator Cowan:** While Senator Brown was speaking, I was re-reading the section. I do not see anything in here that says that an essential prequalification to the introduction of a bill is the election of a majority government. It says in here that the producers of the grain have voted. That is not voted in a general election that may have resulted in one party or another receiving either a minority or majority. Surely Senator Brown is not saying that the result of a general election overrides the provision of an act of Parliament, is he?

**Senator Brown:** I am simply saying that if a party gets a majority government, they are able to change laws and to make amendments to laws. The senator is asking a question that is completely upside down. I am telling him that they have never ever done anything for farmers. The Canadian Wheat Board has taken money for every year that they have ever farmed since World War I. I am saying that a majority government has the right to change that act or any other act that they want to.

(On motion of Senator Tkachuk, debate adjourned.)

## THE SENATE

STATUTES REPEAL ACT—MOTION TO RESOLVE  
THAT THE ACT AND THE PROVISIONS OF OTHER ACTS  
NOT BE REPEALED ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Wallace, seconded by the Honourable Senator Mockler:

That, pursuant to section 3 of the *Statutes Repeal Act*, R.S., 2008, c. 20, the Senate resolve that the following Act and the provisions of the other Acts listed below, which have not come into force in the period since their adoption, not be repealed:

1. *Comprehensive Nuclear Test-Ban Treaty Implementation Act*, S.C. 1998, c. 32;

2. *An Act to amend the Canada Grain Act and the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Grain Futures Act, S.C. 1998, c. 22:*

-ss. 1(1) and (3), 2 to 5, 6(1) and (2), 7, 9, 10, 13 to 16, s. 17 in respect of par. 88(1)(a) of the English version of the *Canada Grain Act* and in respect of the portion of s. 88(1) of the French version of the *Canada Grain Act* that reads as follows: “soit pénétrer dans une installation ou dans les locaux d'un titulaire de licence d'exploitation d'une installation ou de négociant en grains ou en cultures spéciales s'il a des motifs raisonnables de croire que des grains, des produits céréaliers ou des criblures s'y trouvent, qu'ils appartiennent au titulaire ou soient en sa possession, ainsi que des livres, registres ou autres documents relatifs à l'exploitation de l'installation ou du commerce”, and ss. 18 to 23, 24(2) and (3) and 26 to 28;

3. *An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts, S.C. 1998, c. 17:*

-ss. 6(3), 7, 18(1), 19(4), 22 and s. 25 in respect of s. 47 of the *Canadian Wheat Board Act*;

4. *Agricultural Marketing Programs Act, S.C. 1997, c. 20:*

-ss. 44 to 46;

5. *Canada Grain Act, R.S., c. G-10:*

-par. (d) and (e) of definition “elevator” in s. 2, and

-ss. 55(2) and (3);

6. *Canadian Wheat Board Act, R.S., c. C-24:*

-ss. 20 to 22;

7. *Budget Implementation Act, 1998, S.C. 1998, c. 21:*

-ss. 131 and 132;

8. *An Act to implement the Agreement on Internal Trade, S.C. 1996, c. 17:*

-ss. 17 and 18;

9. *Nordion and Theratronics Divestiture Authorization Act, S.C. 1990, c. 4:*

-s. 9;

10. *Preclearance Act, S.C. 1999, c. 20:*

-s. 37;

11. *Contraventions Act, S.C. 1992, c. 47:*

-ss. 8(1)(d), 9, 10, 12 to 16, 17(1) to (3), 18, 19, 21 to 23, 25, 26, 28 to 38, 40, 41, 44 to 47, 50 to 53, 56, 57, 60 to 62, 84 with respect to ss. 1, 2.1, 2.2, 3, 4, 5, 7, 7.1, 9, 10, 11, 12, 14 and 16, and 85;

12. *Modernization of Benefits and Obligations Act, S.C. 2000, c. 12:*

-ss. 89, 90, 97, 107(1) and (3), 109, 128, 174, 175(2), 176(1), 177, 178, 180 to 186, 275, 277, 286 to 288 and 290;

13. *Firearms Act, S.C. 1995, c. 39:*

-par. 24(2)(d), ss. 39, 42 to 46, 48 and 53;

14. *Marine Liability Act, S.C. 2001, c. 6:*

-s. 45;

15. *Canada Marine Act, S.C. 1998, c. 10:*

-ss. 140, 178, 185, and 201, and

-Part 2 to the Schedule; and

16. *Public Sector Pension Investment Board Act, S.C. 1999, c. 34:*

-ss. 155, 157, 158, 161(1) and (4).

**Hon. Tommy Banks:** In the absence of my colleague, although I have spoken to this motion before, I ask leave of the house to speak to it again briefly now so that we can deal with it properly.

**The Hon. the Speaker:** I see unanimous consent.

**Senator Banks:** It was Senator Moore's intention to speak to this bill since it stands in his name. I know he will appreciate my dealing with it today because we can deal with it with alacrity today.

This is a motion which can and should be dealt with by the Senate, *per se*. I cannot tell honourable senators that I have carefully examined every one of the 16 exemptions listed in the motion before us in great detail, but I have looked at them reasonably carefully. I also paid a great amount of attention to Senator Wallace's very clear explanations of each of them, which he gave to us last week. I want to assure honourable senators that, having listened carefully to Senator Wallace when he did that, that is the only time that the list will be that long. It will never be that long again.

There are 29 other acts of Parliament and sections of acts of Parliament which, according to the Statutes Repeal Act, will be automatically repealed on December 31, achieving the ends that were the original design of that act. I cannot see a good reason to question any of the things that Senator Wallace said, including the fact that some of these sections of acts are going to be brought into force by the government in the coming year. I remind honourable senators that the 16 exemptions, if they still exist or as many of them as still exist, will be presented again next year, *et cetera, et cetera*, for Parliament to deal with. I hope that colleagues will join me in recommending that we pass Motion No. 17 standing before us now.

**The Hon. the Speaker *pro tempore*:** Is there further debate? Are honourable senators ready for the question? Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

(Motion agreed to.)

### STATE OF BANDS OF CANADIAN FORCES

#### INQUIRY WITHDRAWN

On Inquiries, Order No. 12, by the Honourable Senator Banks:

That he will call the attention of the Senate to the state of the bands of the Canadian Forces.

**Hon. Tommy Banks:** Honourable senators, I very much regret that I will not be able, during the remainder of my time in this place, to follow up on the inquiry that I wished to, and therefore I ask that we withdraw this from the Order Paper.

(Order withdrawn.)

### POINT OF ORDER

#### SPEAKER'S RULING RESERVED

**Hon. Percy E. Downe:** Honourable senators, I rise on a point of order.

Your Honour, earlier today, Speaker Kinsella tabled a report about a parliamentary delegation that he led to Slovakia, the Holy See and to Italy from October 14 to October 20, 2010. The delegation consisted of Speaker Kinsella, Mrs. Kinsella and the Chief of Staff to the Speaker of the Senate.

• (1550)

On the back page of the report that was tabled in the Senate this afternoon, there is a breakout of the cost of the trip. The travel is listed at \$13,813, accommodations at \$2,836, the per diems at \$2,836, protocol, \$695, miscellaneous for \$28, for a total of \$19,532. When you add those numbers up, the total is wrong. It is higher than that. I am wondering if the Speaker could come back with the correct number for that parliamentary trip.

**The Hon. the Speaker *pro tempore*:** Is there further debate on the point of order?

**Hon. David Tkachuk:** Honourable senators, I notice that my name was not mentioned, and I was on that trip. There were a number of other senators on that trip as well who were not on the list that Senator Downe read out. Perhaps he might want to withdraw that for a minute and get the names of all the people who were there.

**Senator Downe:** I thank the honourable senator for that. There were two separate reports tabled. The second report is the one I am referring to, which includes the three people I mentioned. The other report, which was from an earlier date, includes Senator Tkachuk's name and others. Two separate reports were tabled today. The report I am referring to has just the three names on it. The numbers on the back do not add up. It is a higher figure when you add them up. There is a mistake somewhere. I just would like to have the matter clarified for the record.

**The Hon. the Speaker *pro tempore*:** Is there further debate on the point of order? This matter will be taken under advisement.

[Translation]

### ADJOURNMENT

#### MOTION ADOPTED

Leave having been given to revert to Government Notices of Motions:

**Hon. Claude Carignan (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, November 29, 2011, at 2 p.m.

**The Hon. the Speaker *pro tempore*:** Honourable senators, is leave granted?

**Hon. Senators:** Agreed.

**The Hon. the Speaker *pro tempore*:** Is it your pleasure, honourable senators to adopt the motion?

**Hon. Senators:** Agreed.

(Motion agreed to.)

(The Senate adjourned until Tuesday, November 29, 2011, at 2 p.m.)

## CONTENTS

Thursday, November 24, 2011

	PAGE	PAGE
<b>NATORS' STATEMENTS</b>		
<b>Learning Partnership</b> Hon. Percy Mockler . . . . .	692	
<b>Clotilda Adessa Yakimchuk, C.M.</b> Hon. Jane Cordy . . . . .	692	
<b>Hayden Trenholm</b> Canadian Science Fiction and Fantasy Association Author Award Winner. Hon. Nick G. Sibbston . . . . .	693	
<b>itors in the Gallery</b> Hon. the Speaker . . . . .	693	
<b>Y Canada Association</b> Hon. Don Meredith . . . . .	693	
<hr/>		
<b>OUTINE PROCEEDINGS</b>		
<b>Speaker of the Senate</b> Parliamentary Delegation to Czech Republic, October 10-14, 2010—Report Tabled. Hon. Noël A. Kinsella . . . . .	693	
Parliamentary Delegation to Slovakia, Holy See, Sovereign Military Order of Malta and Italy, October 14-20, 2010— Report Tabled. Hon. Noël A. Kinsella . . . . .	693	
<b>reign Affairs</b> Canada's Engagement in Afghanistan—April 1, 2011 to June 30, 2011—Report Tabled. Hon. Claude Carignan . . . . .	694	
<b>ailway Safety Act</b> <b>anada Transportation Act (Bill S-4)</b> Bill to Amend—Third Report of Transport and Communications Committee Presented. Hon. Dennis Dawson . . . . .	694	
<b>ternal Economy, Budgets and Administration</b> Fourth Report of Committee Tabled. Hon. David Tkachuk . . . . .	694	
<b>World Autism Awareness Day Bill (Bill S-206)</b> Fourth Report of Social Affairs, Science and Technology Committee Presented. Hon. Kelvin Kenneth Ogilvie . . . . .	694	
<hr/>		
<b>QUESTION PERIOD</b>		
<b>nfrastructure</b> Auditor General's Report—Economic Action Plan—Job Creation. Hon. James S. Cowan . . . . .	694	
Hon. Marjory LeBreton . . . . .	695	
<b>Health</b> Auditor General's Report—Pharmaceutical Drug Trials. Hon. Jane Cordy . . . . .	695	
Hon. Marjory LeBreton . . . . .	695	
Hon. Catherine S. Callbeck . . . . .	696	
<hr/>		
<b>National Defence</b> Auditor General's Report—Maintenance and Repair of Military Equipment. Hon. Roméo Antonius Dallaire . . . . .	696	
Hon. Marjory LeBreton . . . . .	697	
<b>Agriculture and Agri-Food</b> Supply Management. Hon. Céline Hervieux-Payette . . . . .	698	
Hon. Marjory LeBreton . . . . .	698	
<b>National Defence Act (Bill C-16)</b> Bill to Amend—Sixth Report of Legal and Constitutional Affairs Committee Presented. Hon. John D. Wallace . . . . .	699	
<hr/>		
<b>ORDERS OF THE DAY</b>		
<b>Keeping Canada's Economy and Jobs Growing Bill (Bill C-13)</b> Second Reading. Hon. Irving Gerstein . . . . .	699	
Hon. Pierrette Ringuette . . . . .	701	
Hon. Jane Cordy . . . . .	702	
Hon. Donald Neil Plett . . . . .	702	
Hon. Tommy Banks . . . . .	702	
Referred to Committee . . . . .	703	
<b>Marketing Freedom for Grain Farmers Bill (Bill C-18)</b> Motion to Authorize Agriculture and Forestry Committee to Study Subject Matter—Motion in Amendment— Debate Suspended. Hon. Doug Finley . . . . .	703	
Hon. Robert W. Peterson . . . . .	705	
Hon. Wilfred P. Moore . . . . .	705	
<b>Distinguished Visitor in the Gallery</b> The Hon. the Speaker . . . . .	707	
<b>Marketing Freedom for Grain Farmers Bill (Bill C-18)</b> Motion to Authorize Agriculture and Forestry Committee to Study Subject Matter—Motion in Amendment— Debate Continued. Hon. Donald Neil Plett . . . . .	707	
Hon. Wilfred P. Moore . . . . .	708	
Hon. Tommy Banks . . . . .	708	
Hon. Bert Brown . . . . .	708	
Hon. James S. Cowan . . . . .	710	
<b>The Senate</b> Statutes Repeal Act—Motion to Resolve that the Act and the Provisions of Other Acts not be Repealed Adopted. Hon. Tommy Banks . . . . .	711	
<b>State of Bands of Canadian Forces</b> Inquiry Withdrawn. Hon. Tommy Banks . . . . .	712	
<b>Point of Order</b> Speaker's Ruling Reserved. Hon. Percy E. Downe . . . . .	712	
Hon. David Tkachuk . . . . .	712	
<b>Adjournment</b> Motion Adopted. Hon. Claude Carignan . . . . .	712	







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